

Wisconsin Department of Public Instruction, Financial Services Team
WISCONSIN PUBLIC SCHOOL DISTRICT AUDIT MANUAL

SPECIAL EDUCATION AUDIT PROCEDURES

255.101

- 1) Obtain from the Department of Public Instruction website, special education license staff listings (Valid and Non-Valid) for the fiscal year and a copy of the *Special Education Claim Instructions*.
 - a) The valid and non-valid license staff listings are available at:
<http://www.dpi.wi.gov/sfs/index.html>. Click on “School Finance Reporting Portal”, choose district, click on “Financial Data Home”, click on “FY 05-06 Special Education Licensure Information”, enter ID and password assigned your firm.
 - b) The special education claim instructions are available at:
http://www.dpi.wi.gov/sfs/xls/se_claim_directions.xls
- 2) Request the district provide the following reports from the “Special Education Fiscal Report Program:”
 - a) *Aid Sheet* (This report shows the aid eligible costs claimed and estimated aid for the district).
 - b) *Chart of Accounts with Amounts* (This report shows all reported expenditure accounts with amounts).
- 3) Using the “No Valid License” report provided by the Department of Public Instruction:
 - a) From the DPI website, download the district’s No Valid License listing into an EXCEL spreadsheet. In the EXCEL spreadsheet, document the salaries, benefits and account codes charged including appropriate Project codes and Funds for all individuals listed. Please provide this information whether or not a license has been issued, the district reclassified the costs to Project code 019, or there were no salaries or benefits paid to the individual (report a \$0 cost). Email the completed spreadsheet to DPI at *DPIsfsreports@dpi.state.wi.us with the subject line "Special Education Questioned Cost - 2006". A copy of the spreadsheet does not have to be attached to the filed PI 1506. The eligibility of these amounts will be determined by DPI.
 - b) For Reported Assignments that are not correct, determine correct teaching assignment through inquiry of appropriate district personnel. Receive a written representation from the Special Education Director or other appropriate person that the previously reported assignments (PI-1202) were incorrect. The representation should include the name previously reported teaching assignment and correct teaching assignment for each individual. Attach a copy of this letter to the PI-1506.

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- 4) Using the staff listing that shows appropriately licensed staff, perform a payroll test and determine if salary and related benefits are being properly reported for staff on this listing.
 - a) Determine that time spent with regular education students by psychologists, social workers, guidance counselors and nurses is properly allocated and coded to fund 10.
 - b) **REVISED** for 2005-2006, include in the sample a total of two individuals from the categories of psychologist, social worker, guidance counselor and nurse.
 - c) **NEW** for 2005-06 review the method used to allocate costs between regular time and special education time for the two individuals selected from these categories. Please refer to the guidelines regarding methods of allocation available at:
http://www.dpi.wi.gov/sfs/ltrjan12_06.html
- 5) Using the “Chart of Accounts with Amounts,” test claimed salaries and benefits and determine that special education staff employed by the district are shown on the staff listings. If staff are not on the listings, determine hire date and review for appropriate license.
- 6) If the district is claiming personal service costs (Object 310) or employees travel (Object 342), review the *Special Education Claim Instructions* and determine if the claimed cost is eligible.
- 7) If the district is claiming pupil transportation costs, review the *Special Education Claim Instructions* for special education transportation requirements and determine if the claimed cost is eligible.
- 8) Inquire as to the process used to identify “deductible revenues” received in payment from another district or used to fund payments to another district or a transfer from another fund. Determine if district has appropriately identified “deductible revenues” received and used.
- 9) Identify questioned costs under the section titled “Additional Special Education Questioned Staff Cost and/or Purchased Service Cost” on the Excel spreadsheet emailed to DPI.
- 10) Obtain printout of special education *Aid Sheet* (as adjusted by any known errors during performance of above procedures) and identify total eligible cost on *Schedule of State Awards* footnote. It is no longer necessary to attach a copy of this *Aid Sheet* to PI-1506.